#### INITIAL STATEMENT OF REASONS

# **Explanation of Tandem Regulation Format and Process for Review**

The authority for the Semi-Annual Reporting (SAR) system is specified in Welfare and Institutions (W&I) Code section 11265.1, 11265.2 and 11265.3 as amended by Assembly Bill (AB) 6 (Chapter 501, Statutes of 2011). Section 25 of AB 6 grants the California Department of Social Services (CDSS) the authority to implement the SAR system through All County Letter (ACL). The ACL 12-25, dated May 17, 2012, gave counties the initial implementation instructions for the SAR system.

AB 6 mandates that California Work Opportunity and Responsibility to Kids (CalWORKs) and CalFresh implements SAR in a cost-effective manner that promotes compatibility between the two programs. Food and Nutrition Services (FNS) will not allow CDSS to require a second semi-annual report in addition to the annual recertification of eligibility in the CalFresh Program. Consequently, CDSS has determined that rather than requiring two semi-annual reports in addition to the annual redetermination of eligibility, the annual redetermination/recertification will take the place of the second semi-annual report. This change also reduces the reporting burden on recipients and reduces the administrative burden on county workers by not mandating duplicative reporting requirements.

In order to more closely align the treatment of income under federal Supplemental Nutrition Assistance Program (SNAP) prospective budgeting rules (as indicated in AB 6), recipients will no longer have to guess an exact amount of income for each month of the SAR Payment Period in order for their workers to average that income over the period. Instead, a monthly income amount will be determined for the SAR Payment Period based on current income and reasonably anticipated changes. This policy change aligns CalWORKs with the federal SNAP prospective budgeting rules, will simplify the process of reasonably anticipating income for both recipients and county workers and will alleviate one of the factors that has been found to be the most confusing and error-prone under Quarterly Reporting (QR).

This regulation package contains a tandem regulation format to allow for the operating of both QR and SAR during counties' staggered implementation of SAR in accordance with the County's SAR Declaration as specified in AB 6. This format is necessary to maintain current QR regulations for those counties that are pending SAR implementation and will remain in place until all counties have implemented SAR.

Regulations that become obsolete once SAR is implemented in a county are labeled as (QR) and the SAR regulations replacing the QR rule follow. Regulations that become operative under SAR are labeled (SAR). In addition, each regulation impacted by SAR includes a notification that SAR regulations will replace the QR regulations once SAR is implemented by the county.

Since the regulations designated as QR are existing regulations that have been subject to the rulemaking process upon their original adoption, these regulations are not subject to public comment and there will not be an accompanying "Specific Purpose/Factual Basis" for those regulations unless there are amendments other than renumbering being made. The QR regulations are included in this package so reviewers can easily compare the QR and SAR provisions to see what changes, if any, have been made to the current regulations.

Many of the new SAR regulations retain the primary intent and substance of the QR requirements but have been updated to include the appropriate SAR terms and references. For example, Section 63-504.266 (j) reads as follows:

- (QR) A household's participation in the Food Stamp Program is terminated as specified in Section 63-508.6 because the household failed to respond to the notice of action informing them of the nonreceipt of the QR 7 by filing a complete QR 7 by the extended filing date.
- (SAR) A household's participation in the CalFresh Program is terminated as specified in Section 63-505.7 because the household failed to respond to the notice of action informing them of the nonreceipt of the periodic report by filing a complete periodic report by the extended filing date.

The changes in the above SAR provision above are updating the regulations cites from QR to SAR, changing the name of the program from "Food Stamp Program" to "CalFresh Program" and changing the name of the QR 7 form to a more general term of "periodic report." The "Specific Purpose" for these regulations will read as follows: "This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.266(j)." The "Factual Basis" for these regulations will read as follows: "This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011)."

In certain cases, a SAR provision that substantively duplicates the existing QR provision will also contain a change beyond the duplication. In such cases, the "Specific Purpose/Factual Basis" will address the additional provisions. Where the SAR-related change is directly related to a statutory requirement, additional language will be inserted to indicate the authority for the amended or adopted regulation.

This regulation package also contains numerous clean-up and technical changes: all Monthly Reporting (MR) regulations (that have been inoperative since the implementation of QR in 2004) are being deleted and outdated references to Food Stamps (in regulations that are updated because of SAR) are being replace with CalFresh. These technical clean-ups are not included in the "Specific Purpose and Factual Basis" section below.

# <u>a)</u> Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

## Section 63-102(b)

## **Specific Purpose:**

This section is amended to remove obsolete MR requirements.

### Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties since the implementation of AB 444 (Chapter 1022, Statutes of 2002) and OR.

## New Section 63-102(c)(2)

## Specific Purpose:

This section is being adopted to add the definition of a program term.

## Factual Basis:

This revision is necessary to reflect that CalFresh is the current name of California's Food Stamp Program funded by the federal SNAP. AB 433 (Chapter 625, Statutes of 2008) added W&I Code section 18900.1 requiring CDSS to propose a new name for the Food Stamp Program.

### Section 63-102(c)(2) through 63-102(c)(15)

## **Specific Purpose:**

These sections are being amended to correctly renumber the sections.

### Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

#### Section 63-102(c)(12)

### Specific Purpose:

This section is amended to remove the QR distinction from the definition as the definition is consistent with QR as well as with SAR.

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-102(c)(13)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(c)(13)(QR). In addition, the provision at Section 63-102(c)(13) has been updated to obsolete the QR section once SAR has been implemented in the county.

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-102(e)(5)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-102(e)(5).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-102(f)(3)

### Specific Purpose:

This section is amended to remove the obsolete term associated with the now obsolete Statewide Fingerprint Imaging System (SFIS).

#### Factual Basis:

The amendment is necessary to remove the term as the SFIS Program was discontinued by AB 6 (Chapter 501, Statutes of 2011).

### Section 63-102(f)(4) and Section 63-102(f)(5)

## Specific Purpose:

These sections are being amended to correctly renumber the sections.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-102(i)(6)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(i)(6).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-102(i)(10)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-102(i)(10).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-102(m)(7)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(m)(7).

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-102(n)(1)

## Specific Purpose:

This section is added to add the term "Nonassistance CalFresh (NACF)" as it is used in later areas of the regulations.

### Factual Basis:

This revision is necessary to reflect those households that are in receipt of CalFresh benefits only. AB 433 (Chapter 625, Statutes of 2008) added W&I Code section 18900.1 requiring CDSS to propose a new name for the Food Stamp Program.

## <u>Current Section 63-102(n)(1) through Current Section 63-102(n)(5)</u>

## Specific Purpose:

These sections are being amended to correctly renumber the sections.

### Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

### Section 63-102(p)(5)

## Specific Purpose:

This section is amended to remove the obsolete term associated with the now obsolete SFIS.

### Factual Basis:

The amendment is necessary to remove the term as the SFIS was discontinued by AB 6 (Chapter 501, Statutes of 2011) and amended in W&I Code section 10830.

## Current Section 63-102(p)(6) through Current Section 63-102(p)(12)

## Specific Purpose:

These sections are being amended to correctly renumber the sections.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## New Section 63-102(p)(12)

## Specific Purpose:

This section is added to add the term "Public Assistance CalFresh (PACF)," as it is used in later areas of the regulations.

## Factual Basis:

This revision is necessary to reflect those households that are in receipt of both CalFresh and public assistance. AB 433 (Chapter 625, Statutes of 2008) added W&I Code section 18900.1 requiring CDSS to propose a new name for the Food Stamp Program.

# Section 63-102(q)

### **Specific Purpose:**

This section is amended to obsolete the QR section once SAR has been implemented in the county.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-102(r)(1)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(r)(1).

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-102(r)(7)

## Specific Purpose:

This section is amended to remove obsolete MR requirements.

## Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties since the implementation of AB 444 (Chapter 1022, Statutes of 2002) and QR.

Current Section 63-102(r)(8) through Current Section 63-102(r)(10)

## **Specific Purpose:**

These sections are being amended to correctly renumber the sections.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-102(r)(11)

## **Specific Purpose:**

This section is amended to remove obsolete MR requirements.

### Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties since the implementation of AB 444 (Chapter 1022, Statutes of 2002) and OR.

## Current Section 63-102(r)(12)

## Specific Purpose:

This section is being amended to correctly renumber the section.

This revision is technical, non-substantive changes to existing regulations and is necessary for consistency and ease of use.

## New Section 63-102(s)(1)

# Specific Purpose:

These sections are being adopted to add the definition of program terms for SAR.

## Factual Basis:

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-102(s)(2)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(q)(2).

### Factual Basis:

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-102(s)(3)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(q)(4).

### Factual Basis:

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

# New Section 63-102(s)(4)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and reference, the existing QR section 63-102(q)(5).

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-102(s)(8)

# Specific Purpose:

These sections are being adopted to add the definition of program terms for SAR.

## Factual Basis:

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-102(s)(9)

## Specific Purpose:

This definition is added to explain what a SAR is during the SAR period.

### Factual Basis:

This amendment is necessary to comply with the federal requirements 7 Code of Federal Regulations (CFR) 273.12(a)(5)(iii).

## Current Section 63-102(s)(1) through Current Section 63-102(s)(15)

## Specific Purpose:

This section is being amended to correctly renumber the section.

## Factual Basis:

This revision is technical, non-substantive changes to existing regulations and is necessary for consistency and ease of use.

## Section 63-102(s)(12)

## Specific Purpose:

This section is repealed to remove the obsolete term associated with the now obsolete SFIS.

The amendment is necessary to comply with AB 6 (Chapter 501, Statutes of 2011) and the discontinuance of SFIS for the CalFresh Program which was effective January 1, 2012 under W&I Code section 10830.

## New Section 63-102(s)(19)

## Specific Purpose:

This section is adopted to include the term for the federal food stamp program.

### Factual Basis:

This revision is a technical, non-substantive changes to existing regulations and is necessary for consistency and ease of use.

## Section 63-102(t)(2)

## **Specific Purpose:**

This section is amended to remove the QR distinction from the definition as the definition is consistent with QR as well as with SAR.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## New Section 63-102(v)(2)

## **Specific Purpose:**

This section is adopted to explain the concept of Verified Upon Receipt (VUR) as it relates to information received regarding CalFresh households.

## Factual Basis:

This addition is necessary to comply with regulations at 7 CFR 273.12(a)(5)(vi)(B)(2), United States Department of Agriculture (USDA), Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012, and FY 2012 Integrity Conferences and State Visits Questions and Answers (no date provided).

### Section 63-300.2

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-300.2.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-300.24

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR sections 63-300.24.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-300.25

## **Specific Purpose:**

This section is amended to remove the QR distinction from the title of the section as it is relevant to both QR and SAR.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). This revision is also necessary to reflect that CalFresh is the current name of California's Food Stamp Program funded by the federal SNAP. AB 433 (Chapter 625, Statutes of 2008) added W&I Code section 18900.1 requiring the CDSS to propose a new name for the Food Stamp Program.

# Section 63-300.41 et seq.

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-300.41 et seq.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-300.451

### Specific Purpose:

This section is repealed to remove the SFIS requirement for the CalFresh Program.

## Factual Basis:

The amendment is necessary to comply with AB 6 (Chapter 501, Statutes of 2011) and the discontinuance of SFIS for the CalFresh Program which was effective January 1, 2012 under W&I Code section 10830.

## Section 63-300.464

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-300.464. In addition, a section has been adopted to designate when the QR regulations will become inoperative and when the SAR regulations become operative.

### Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

#### Section 63-300.5(d)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-300.5(d).

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

### Section 63-300.6

## Specific Purpose:

This section is amended to remove obsolete MR requirements of the term "monthly."

## Factual Basis:

This amendment is necessary to comply with provision of AB 444 (Chapter 1022, Statutes of 2002) which implemented QR and repealed MR requirements in various sections of the W&I Code. By removing the term "monthly" the statement is inclusive of both QR and SAR requirements.

## Section 63-300.623

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-300.623.

### Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

### Section 63-301.544(a)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-301.544(a) as well as information included in the MR section that is relevant for SAR.

#### Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

### Section 63-301.544(b)(1)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-301.544(b)(1) as well as information included in the MR section that is relevant for SAR.

### Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

## Section 63-301.544(b)(2)

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-301.544(b)(2) as well as information included in the MR section that is relevant for SAR.

## Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

## Section 63-301.71

## **Specific Purpose:**

This section is amended to add a SAR title that substantively duplicates, with appropriate SAR terms and references, the existing QR title at Section 63-301.71.

### Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

## Section 63-301.742

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-301.742.

## Factual Basis:

The amendment is necessary to ensure the continuation of current QR requirements that remain relevant until the time SAR becomes operative in a county to comply with AB 6 (Chapter 501, Statutes of 2011).

### Section 63-410.211(a)

### Specific Purpose:

This section is amended to specify that an ABAWD must submit a mid-period report within 10 days when hours of work drop to below 20 hours per week at any time during the SAR payment period. This mandatory recipient mid-period reporting requirement has been expanded from three months to six months for consistency with SAR reporting requirements. This section is also amended to clarify that a reduction in the number of hours in unpaid county-supervised work activities, such as workfare, will not be subject to mandatory recipient mid-period reporting. The Section is also being amended to correctly renumber the section. Finally, the reference to food stamps has been updated with CalFresh.

### Factual Basis:

This amendment is needed for consistency with W&I Code section 11265.1 as amended by AB 6 (Chapter 501, Statutes of 2011). The addition of language that addresses the reduction of hours in unpaid county-supervised work is needed to comply with policy instructions issued in ACL 12-25.

### Section 63-410.6

### Specific Purpose:

This section is amended to add a SAR title that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-410.6.

### Factual Basis:

### Section 63-410.61

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-410.61. In addition, the Section is being amended to correctly renumber the Section.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-501.3(m)(2)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR

### Factual Basis

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.11

### Specific Purpose:

This section is being amended to add a QR distinction to the existing regulation as it pertains only to QR. The section also is amended to include a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR regulation. A provision has been included to have the QR section become inoperative and the SAR section become operative in a county on the date SAR becomes effective. In addition, the QR section has been updated to display correct references.

### Factual Basis:

### Section 63-503.14

## Specific Purpose:

This section is amended to remove the QR distinction from the title of the section as it is relevant to both QR and SAR.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.141

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-501.141. In addition, this section is amended to include a provision stating benefits will be adjusted midperiod, if needed, upon receipt of the household's periodic report.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). The provision stating benefits will be adjusted mid-period are in accordance with 7 CFR 273.12(a)(5)(vi).

### Section 63-503.15

### Specific Purpose:

This section is amended to remove the QR distinction from the title of the section as it is relevant to both QR and SAR.

### Factual Basis:

### Section 63-503.151

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-501.151.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

New Section 63-503.2 through New Section 63-503.223

## Specific Purpose:

This section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(a) through Section 63-509 (a)(2)(C)(2)(b).

### **Factual Basis**

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.224(a)(1), (2), (3)

### Specific Purpose:

This section is adopted to provide the CWDs with guidance regarding income that the household is having difficulty providing an estimate of anticipated income.

### Factual Basis:

This amendment is necessary to comply with federal regulation at 7 CFR 273.10(c)(1)(ii).

### New Section 63-503.225

## Specific Purpose:

This section is added to explain that past income cannot be used as an indicator of anticipated income for the certification period.

This amendment is necessary to comply with federal regulation at 7 CFR 273.10(c)(1)(ii).

## New Section 63-503.226

## Specific Purpose:

This section is added to explain that new income to the household cannot be anticipated if it is uncertain when the new job will start or the amount the recipient will be paid.

## Factual Basis:

This amendment is necessary to comply with federal regulation at 7 CFR 273.10(c)(1)(i).

New Section 63-503.23 through New Section 63-503.232(c)

## Specific Purpose:

This section is adopted to provide the CWDs with guidance regarding medical and dependent care expenses that can be reasonably anticipated.

## Factual Basis:

This amendment is necessary to comply with federal regulation at 7 CFR 273.9(d)(4), 7 CFR 273.10(d)(3) and 7 CFR 273.10(d)(5) for conversion of expenses to a monthly deductible expense.

## New Section 63-503.232(d)

## **Specific Purpose:**

This section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR provision at Section 63-509(3)(A)(4).

### Factual Basis:

## New Section 63-503.233

## Specific Purpose

This section has been amended to explain the use of shelter costs as a non-mandatory mid-period action and subsequent actions the CWDs must follow as cited in 7 CFR 273.12 (c)(4).

### Factual Basis

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). This amendment is necessary to comply with federal regulation at 7 CFR 273.12 (c)(4) regarding shelter costs and shelter cost deductions.

## New Section 63-503.234

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR provision at Section 63-509(a)(3)(C).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.24

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR provision at Section 63-503.24.

### Factual Basis:

### Section 63-503.242(b)(1)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section. In addition, this section is being amended to correctly renumber the section to Section 63-503.242(a)(5).

### **Factual Basis**

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

Current Section 63-503.242(b)(2) and Current Section 63-503.242(b)(3)

## **Specific Purpose:**

These sections are being amended to correctly renumber the sections.

### Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-503.242(c)

### Specific Purpose:

This section is amended to add the QR distinction to the section as averaging income only pertains to QR households. A provision has been adopted to designate when the QR regulations will become inoperative and the SAR regulations become operative. In addition, this section is being amended to correctly renumber the section to Section 63-503.242(b)(1).

### Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use. This amendment is also necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.242(c)(2)

## Specific Purpose:

This section is amended to add the QR distinction to the section as it pertains to QR households regarding income from contract or self-employment. A provision has been adopted to designate when the QR regulations will become inoperative and the SAR regulations become operative. In addition, this section is being amended to correctly renumber the section to Section 63-503.242(b)(2)(QR) and Section 63-503.242(b)(2)(SAR)(A), (B) and (C).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). In addition, these revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## New Section 63-503.242(b)(2)(SAR)(A) and New Section 63-503.242(b)(2)(SAR)(B)

## Specific Purpose:

These sections are added to describe the circumstance in which income averaging is required for households.

### Factual Basis:

These amendment is necessary to comply with federal regulations at 7 CFR 273.10(c)(3)(ii) and 7 CFR 273.10(c)(1)(i).

### New Section 63-503.242(b)(3)

## Specific Purpose:

This section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR provision at Section 63-509.

### Factual Basis:

### Section 63-503.25

## Specific Purpose:

This section is amended add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.25.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.253(b)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.253(b).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.254:

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.254.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

#### Section 63-503.255

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.255.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.311

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.311.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.312

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.312.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.321

### Specific Purpose:

This section is amended to remove reference to MR. The section is also amended to remove an incorrect Handbook reference. A provision has been updated to designate when the QR regulation becomes inoperative and the SAR regulation becomes operative in a county.

### Factual Basis:

This amendment is necessary to remove MR reference as the first paragraph pertains to both QR and SAR. This amendment is necessary to ensure the continuation of current

QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Current Section 63-503.321(a)(1) and 63-503.321(a)(2)

## Specific Purpose:

This section is amended to remove the MR distinction and has also been renumbered.

### Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties with the implementation of AB 444 (Chapter 1022, Statutes of 2002) and the section applies to both QR and SAR. In addition, the renumbering of the section is a technical, non-substantive change necessary for consistency and ease of use.

### Current Section 63-503.321(a)(QR)

## Specific Purpose:

This section is amended to correctly renumber the section.

### Factual Basis:

The renumbering of the section is a technical, non-substantive change necessary for consistency and ease of use.

### New Section 63-503.321(c)(SAR)

### Specific Purpose:

This section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the renumbered QR section 63-503.312(c)(QR).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Current Section 63-503.322

#### Specific Purpose:

This section is amended to remove the section reference to MR. The section is also amended to remove an incorrect Handbook reference and reword the section for ease of

reading. A provision has been updated to designate when the QR regulation becomes inoperative and the SAR regulation becomes operative.

## Factual Basis

This amendment is necessary to remove the information since MR is no longer practiced in the counties with the implementation of AB 444 (Chapter 1022, Statutes of 2002) and the section applies to both QR and SAR. This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

Section 63-503.322(a)(1) and 63-503.322(a)(2)

### Specific Purpose:

This section is amended to remove the MR distinction and has also been renumbered and updated with correct references.

## Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties with the implementation of AB 444 (Chapter 1022, Statutes of 2002) and the section applies to both QR and SAR. In addition, the renumbering of the section is a technical, non-substantive change necessary for consistency and ease of use.

## Section 63-503.322(a)(QR)

### Specific Purpose:

This section is amended to correctly renumber the section.

### Factual Basis:

The renumbering of the section is a technical, non-substantive change necessary for consistency and ease of use.

### New Section 63-503.322(c)(SAR)

## **Specific Purpose:**

This section is adopted to determine the eligibility and benefit level based on the information reported by the elderly/disabled SAR household.

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011) and regulations at 7 CFR 273.10(e)(2)(i)(A).

### Section 63-503.324

## Specific Purpose:

This section is amended add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.324.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.325

## Specific Purpose:

This section is amended to a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.325.

#### Factual Basis:

The new SAR section has been updated to reflect the ability of the Electronic Benefit Transfer system to issue benefit amounts of less than \$10. This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.326

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.326.

### Factual Basis:

### Section 63-503.327

## Specific Purpose:

This section is amended to remove the QR distinction from the title of the section as it is relevant to both QR and SAR.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

New Section 63-503.327(a)(SAR) and Section 63-503.327(b)(SAR) et seq.

### Specific Purpose:

These SAR provisions have been adopted that substantively duplicate, with appropriate SAR terms and references, the existing QR section 63-503.327(a)(QR) and 63-503.327(b)(QR).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.328

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.328.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

#### Section 63-503.329

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.329.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.41

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.41.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-503.411(a)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.411(a).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.411(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.411(b).

### Factual Basis:

### Section 63-503.411(c)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.411(c).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.412(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, within the existing QR section 63-503.412(b).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.412(c)

## **Specific Purpose:**

This section is amended to add a SAR section that substantively duplicates, with appropriate SAR terms and references, within the existing QR section 63-503.412(c). The provision has been updated to have the QR section become inoperative and the SAR section operative in a county on the date SAR becomes effective.

### Factual Basis:

## New Section 63-503.412(d)

# Specific Purpose:

This section is adopted to add a SAR section that substantively duplicates, with appropriate SAR terms and references, within the existing QR section 63-503.412.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-503.412(e)

## Specific Purpose:

This section has been adopted to correctly renumber the section.

## Factual Basis:

This section was previously in Section 63-503.412(c) with no cite listing.

## Section 63-503.415 et seq.

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.415.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.5

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.5.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-503.6

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.6. The provision has been updated to have the QR section become inoperative and the SAR section operative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.9

### Specific Purpose:

This section is amended to remove the QR distinction from the title of the section as it is relevant to both QR and SAR. This section is also amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR Section 63-503.9.

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.91

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-503.91.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-503.911(a) and 63-503.911(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR sections 63-503.911(a) and 63-503.911(b).

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.1

# Specific Purpose:

This section is amended to designate when the QR Handbook section will become inoperative and when the SAR Handbook section will become operative.

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Handbook Section 63-504.1

### Specific Purpose:

This SAR handbook section is adopted to substantively duplicate, with appropriate SAR terms and references, the existing QR Handbook section. In addition, CalFresh sought a waiver to allow the CalFresh Program and the CalWORKs Programs to adjust certification periods to coincide with each other.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6

(Chapter 501, Statutes of 2011). The waiver number that allows the CalFresh to adjust its certification period to align with CalWORKs redetermination period is Waiver #: SNAP-10-6-/Waiver 2120020 CA dated September 17, 2012.

## Section 63-504.12

## **Specific Purpose:**

This section is amended to add a SAR title that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.12.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.121

## Specific Purpose:

This SAR section is adopted to substantively duplicate, with appropriate SAR terms and references, the existing QR section 63-504.121. This section also removes the QR distinction from the title as it pertains to both QR and SAR.

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.14

## Specific Purpose

This section is amended to add a SAR title that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.14.

### Factual Basis:

## Section 63-504.141

## **Specific Purpose:**

This SAR section is amended to substantively duplicate, with appropriate SAR terms and references, the existing QR section at 63-504.141.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.151

## **Specific Purpose:**

This section is amended to remove the QR distinction as the section pertains to both QR and SAR. This section is also being amended to correctly renumber the section.

### Factual Basis:

The revision is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use. This amendment is also necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.152

## **Specific Purpose:**

This section is being amended to correctly renumber the section.

### Factual Basis:

The revision is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

#### Section 63-504.161

## **Specific Purpose:**

This section is amended to include a reference to a previous handbook section.

The revision is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

### Section 63-504.222

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.222.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Handbook Section 63-504.225

# Specific Purpose:

This section is repealed to remove the entire handbook section as it is no longer relevant to direct counties to use certain forms. The counties receive information on forms usage in ACL and All County Information Notices (ACIN).

#### Factual Basis:

This amendment complies with Section 25(a) of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.252

## Specific Purpose:

This section is amended to add a QR distinction to the existing regulation as it pertains only to QR. The section is also amended to include a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR regulation. A provision has been included to have the QR section become inoperative and the SAR section become operative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with W&I Code section 18910, as amended by AB 6 (Chapter 501, Statutes of 2011).

## Handbook Section 63-504.254

## Specific Purpose:

This section is repealed to remove the entire handbook section as it is no longer relevant to direct counties to use certain forms. The counties receive information on forms usage in ACLs and ACINs.

## Factual Basis:

This amendment complies with Section 25(a) of AB 6 (Chapter 501, Statutes of 2011).

### Handbook Section 63-504.26

## Specific Purpose:

This section is repealed to remove the entire handbook section as it is no longer relevant to direct counties to use certain forms. The counties receive information on forms usage in ACLs and ACINs.

### Factual Basis:

This amendment complies with Section 25(a) of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.263

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.263.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.263(a)

### Specific Purpose:

This section is amended to remove the QR distinction as it is relevant to both QR and SAR.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.263(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.263(b).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.264

# Specific Purpose:

This section is amended to add a SAR title and provision that substantively duplicates, with appropriate SAR terms and references, the existing QR language at Section 63-504.264

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.264(a)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.264(a).

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.264(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.264(b).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Handbook Section 63-504.265

## Specific Purpose:

This section is repealed to remove the entire handbook section as it is no longer relevant to direct counties to use certain forms. The counties receive information on forms usage in ACLs and ACINs.

### Factual Basis:

This amendment complies with Section 25(a) of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.266(d)

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.266(d).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.266(e)

### Specific Purpose:

This section is amended to remove the QR distinction from the section as it is relevant to both QR and SAR.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.266(j)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.266(j).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.267(e)(2)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.267(e)(2).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Current Section 63-504.39, 63-504.391 and 63-504.392

### Specific Purpose:

These sections are amended to correctly renumber the sections.

### Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

### Section 63-504.4

## Specific Purpose:

This section is amended to remove the QR distinction from the heading as the section pertains to both QR and SAR.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.41

## Specific Purpose

This section is amended to remove the reference to form numbers and make the section universal to both QR and SAR.

### Factual Basis:

This amendment complies with Section 25(a) of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.42

### Specific Purpose:

This section is amended to remove the QR distinction from the heading as the section pertains to both QR and SAR.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.43

## Specific Purpose:

This section is also amended to remove the QR distinction from the heading as the section pertains to both QR and SAR.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.432

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.432.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.5

# Specific Purpose:

The section has been amended to make the QR section inoperative and the SAR section operative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to remove the information since MR is no longer practiced in the counties with the implementation of AB 444 (Chapter 1022, Statutes of 2002) and QR. This amendment is also necessary to comply with W&I Code section 18910 as amended by AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-504.51, Section 63-504.511 and Section 63-504.512

#### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.51, Section 63-504.511 and Section 63-504.512.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.52

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.52.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.521

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.521.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.522

## **Specific Purpose:**

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.522.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-504.61(c)(1) and Section 63-504.61(c)(2)(SAR)(A) and (B)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.61(c)(1).

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-504.61(c)(1)(SAR)(a)

## Specific Purpose:

This section has been adopted to explain that an application for recertification is considered timely when it is submitted within 15 days of receipt of the notice of expiration and that the notice would be provided with the approval of CalFresh benefits.

#### Factual Basis:

This addition is necessary to comply with federal regulations at 7 CFR 273.14(c)(2).

## Section 63-504.61(c)(2)

## Specific Purpose:

This section is amended to add a SAR provision that provides information regarding households that have been certified for benefits for one or two months and the action CWDs must take in order to recertify those households.

### Factual Basis:

This amendment is necessary to comply with regulations at 7 CFR 273.14 (b)(1)(i) and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.61(c)(3)

## Specific Purpose:

The section has been amended to make the QR provision inoperative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.62

# Specific Purpose:

The section has been amended to make the QR provision inoperative in a county on the date SAR becomes effective. The letter "t" has also been added in the word "Quarterly."

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). Grammatical mistake has also been updated.

### Section 63-504.621

## Specific Purpose:

The section has been amended to make the QR provision inoperative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.622

## **Specific Purpose:**

The section has been amended to make the QR provision inoperative in a county on the date SAR becomes effective.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

#### Section 63-504.624

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-504.624.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-504.63

## Specific Purpose:

This section is amended to remove the provision which makes QR operative and MR inoperative as this section is applicable to QR and SAR. The QR distinction is also removed as the section applies to both QR and SAR.

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-505.14 and Section 63-505.141

## Specific Purpose:

This section is amended to remove the SFIS requirement for the CalFresh Program.

### Factual Basis:

The amendment is necessary to comply with AB 6 (Chapter 501, Statutes of 2011) and the discontinuance of SFIS for the CalFresh Program which was effective January 1, 2012 under W&I Code section 10830.

### Section 63-505.2

### Specific Purpose:

The section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-505.2.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-505.21

## Specific Purpose:

The section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-505.21.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-505.22

## Specific Purpose:

This section has been repealed to remove a provision that was repealed in 1989.

## Factual Basis:

This revision is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## New Section 63-505.22 et seq.

### Specific Purpose:

This section is adopted to detail the SAR process. This section requires that the eligibility and benefit amounts will be determined on a semi-annual basis and that a periodic report is required to be submitted every six months. The section also lists the mandatory mid-period reporting requirements for SAR households.

### Factual Basis:

This amendment is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). In addition, this section complies with the regulations at 7 CFR 273.12(a)(5) – SAR Process; 7 CFR 273.12(a)(5)(iii)(A) – Periodic reporting requirements; 7 CFR 273.12(a)(5)(v) – Mandatory reporting requirements when gross income exceeds 130 percent of Federal Poverty Level (FPL); 7 CFR 273.12(a)(5)(iii)(E) – Mandatory reporting requirements for able-bodied adults without dependents work hours fall below 20 hours per week or 80 hours per month.

## New Section 63-505.23 et seq.

## Specific Purpose:

This section is adopted to explain under what circumstances benefits may be adjusted during the SAR period.

## Factual Basis:

This adoption is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). In addition, this section complies with regulations at 7 CFR 273.12(a)(5)(vi) and 7 CFR 273.12(a)(5)(iii)(C).

### New Section 63-505.3 et seq.

## Specific Purpose:

This section is adopted to describe the income reporting thresholds for both CalFresh and CalWORKs Programs with the implementation of SAR.

### Factual Basis:

This adoption is necessary to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). In addition, this section complies with regulations at 7 CFR 273.12(a)(5)(v) for CalFresh requirements and Manual of Policy and Procedures (MPP) section 44-316.324(a)(SAR) for CalWORKs.

### New Section 63-505.4

### Specific Purpose:

This section is adopted to explain the concept of VUR as it relates to information received regarding CalFresh households.

### Factual Basis:

This addition is necessary to comply with regulations at 7 CFR 273.12(a)(5)(vi)(B)(2), USDA, Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012, and FY 2012 Integrity Conferences and State Visits Questions and Answers (no date provided).

### New Section 63-505.5

## Specific Purpose:

This section is adopted to designate when the QR regulations will become inoperative and when the SAR regulations will become operative.

## Factual Basis:

This adoption is necessary to provide an explanation of when QR regulations will become inoperative and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Current Section 63-505.31(QR)

## Specific Purpose:

This section is amended to include an updated reference. In addition, the section has been renumbered to Section 63-505.51(QR).

### Factual Basis:

This revision is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## Current Section 63-505.311 through Current Section 63-505.34

### Specific Purpose:

These sections are amended to correctly renumber the sections.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

### New Section 63-505.51(SAR) through New Section 63-505.54(SAR)

## **Specific Purpose:**

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR sections 63-505.51 through 63-505.54.

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

New Section 63-505.55 and 63-505.551(a) and (b)

## Specific Purpose:

This section is adopted to explain resource eligibility and when it should be determined by the CWDs.

### Factual Basis:

This section complies with federal regulations at 7 CFR 273.8.

New Section 63-505.56 et seq.

## Specific Purpose:

This section has been adopted to describe when the household is required to report changes in composition and what the effects of those changes are.

### Factual Basis:

This section complies with federal regulations at 7 CFR 273.12(a)(1)(ii)

New Section 63-505.57

### Specific Purpose:

This section has been adopted to explain the work hours and Employment and Training reporting requirements for able-bodied adults without dependents (ABAWD).

### Factual Basis:

This section complies with federal regulations at 7 CFR 273.24(b)(7).

New Section 63-505.6 through New Section 63-505.613(f)

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.3 through 63-508.322(f).

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.62 through New Section 63-505.624

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.65 through 63-508.655.

#### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

# New Section 63-505.63 through New Section 63-505.637

### Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.4 through 63-508.46.

## Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Current Section 63-505.4

### Specific Purpose:

This section is amended to remove the QR designation because the existing section applies to both QR and SAR as written so it is no longer necessary to distinguish the section as a QR regulation. This section is also being renumbered to correctly renumber the section.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). Renumbering the section is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## Current Section 63-505.41

## Specific Purpose:

This section is amended to remove the QR designation because the existing section applies to both QR and SAR as written; therefore, it is no longer necessary to distinguish the section as a QR regulation. This section is also being renumbered to correctly renumber the section.

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). Renumbering the section is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## Current Section 63-505.41(a) through Section 63-505.41(h)

#### Specific Purpose:

This section is amended to remove the QR designation because the existing section applies to both QR and SAR as written; therefore, it is no longer necessary to distinguish the section as a QR regulation. Wording within the section has been updated to reflect a generality that can apply to both QR and SAR households. This section is also being renumbered to correctly renumber the section.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). Renumbering the section is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## New Section 63-505.65 through New Section 63-505.653(d)

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.5 through 63-508.534.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-505.7 through New Section 63-505.72

## **Specific Purpose:**

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.6 through 63-508.62.

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-505.73 through New Section 63-505.745(c)

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-508.63 through 63-508.645(c).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Handbook Section 63-505.732

## Specific Purpose:

This handbook section is adopted to inform CWDs of an approved Waiver (#2090046) from FNS regarding the ability to reinstate eligible households that take the required action within the month following the discontinuance.

### Factual Basis:

This handbook section is necessary as it is a way to help facilitate program access and promote administrative efficiencies after household's case closure and to have their benefits reinstated. This section is based on USDA, Food and Nutrition Service Waiver #2090046 (extension dated February 8, 2013).

## New Section 63-505.75 through New Section 63-505.754

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(b)(1)(B) through 63-509(b)(1)(B)(4).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.755 and New Section 63-505.756

### Specific Purpose:

This section is adopted to explain that CWDs shall take action on CalFresh cases when a mandatory CalWORKs change is reported in the CalWORKs program on changes in household composition or income that are considered VUR as well as changes in address.

### Factual Basis:

This adoption complies with federal regulations 7 CFR 273.12(a)(5)(vi).

## New Handbook Section 63-505.757 through New Handbook Section 63-505.759

## Specific Purpose:

This handbook section is being adopted to explain the three different types of income reporting thresholds (IRTs) under SAR.

## Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011) and W&I Code section 11265.3(b).

### New Section 63-505.76 and New Section 63-505.761

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(c)(1).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Current Section 63-505.5

### Specific Purpose:

This section is being amended to correctly renumber the section. The section is also amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-505.5 (renumbered Section 63-505.77).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). Renumbering the section is a technical, non-substantive change to existing regulations and is necessary for consistency and ease of use.

## Current Section 63-505.51 through Current Section 63-505.518

## Specific Purpose:

This section is being amended to correctly renumber the section and update correct cross-references.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Current Section 63-505.52 through Current Section 63-505.522

## Specific Purpose:

This section is being amended to correctly renumber the section and update correct cross-references.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

# New Section 63-505.8 through New Section 63-505.83

### Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(d) through Section 63-509(f).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.831(a) through New Section 63-505.831(c)

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(f)(1) through Section 63-509(f)(3).

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-505.831(d) through New Section 63-505.831(f)(2)

## Specific Purpose:

These sections are adopted to specify actions taken when a household reports a composition change outside of the periodic report or recertification. In particular, these sections outline when a new household member has no income, has income that does not exceed the household's IRT, and when the new household member's income is not certain or exceeds the household's IRT.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.84

### Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(g).

#### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

#### New Section 63-505.9 through New Section 63-505.91(i)

### Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(h) through Section 63-509(1)(I).

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.91(j)

## Specific Purpose:

This section is adopted to expand when a CWD takes action on mid-certification period changes specifically for those households receiving Transitional CalFresh but have moved out of state and are receiving public benefits in another state.

#### Factual Basis:

This adoption is necessary to comply with federal regulations at 7 CFR 272.4(e)(1) and 7 CFR 273.32.

## New Section 63-505.91(k)

## Specific Purpose:

This section is adopted to expand when a CWD takes action on mid-certification period changes, specifically for those households with a member of that household receiving SSI/SSP benefits.

#### Factual Basis:

This adoption is necessary to comply with federal regulations at 7 CFR 273.20.

### New Section 63-505.92 through New Section 63-505.923

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(h)(3) through Section 63-509(h)(3)(C).

#### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-505.93 through New Section 63-505.931(c)

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(j) through Section 63-509(j)(1)(C).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.94:

## **Specific Purpose:**

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(k).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### New Section 63-505.95:

### Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(1).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## New Section 63-505.96 through New Section 63-505.962

## Specific Purpose:

The section is adopted to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-509(n) through Section 63-509(n)(2).

### Factual Basis:

This adoption is necessary to ensure the continuation of current QR requirements that remain relevant and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Current Section 63-505.6 through Section 63-505.64

## **Specific Purpose:**

This section is being amended to correctly renumber the section and update correct cross-references.

## Factual Basis:

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-601.12 through 63-601.14

## **Specific Purpose:**

This section is being repealed due to the elimination of the requirement that CalFresh applicants be fingerprinted and photo imaged as a condition of benefit issuance.

## Factual Basis:

Revisions are necessary to comply with the amendments to the W&I Code section 10830 as stated in AB 6 (Chapter 501, Statues of 2011).

### Current Section 63-601.15 through 63-601.154

## Specific Purpose:

These sections are being amended to correctly renumber the sections.

These revisions are technical, non-substantive changes to existing regulations and are necessary for consistency and ease of use.

## Section 63-801.311(c)(2)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-801-311(c)(2).

## Factual Basis

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Handbook Section 63-801.311(c)(2)

## Specific Purpose:

The handbook section is amended to number and distinguish between QR and SAR handbook examples. This section is also amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing Handbook Section 63-801.311(c)(2).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011). The renumbering of this handbook section is a necessary revision to distinguish between the QR and SAR examples as well as for consistency and ease of use.

### Section 63-801.737(a)

### Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-801.737(a). A provision has been adopted to designate when the QR regulations will become inoperative and the SAR regulations become operative.

This amendment is adopted to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-801.737(b)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-801.737(b). A provision has been adopted to designate when the QR regulations will become inoperative and the SAR regulations become operative.

### Factual Basis:

This amendment is adopted to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Handbook Section 63-801.737(c)

## Specific Purpose:

The handbook section is amended to number and to distinguish between QR and SAR handbook examples and to add SAR provisions that substantively duplicate, with appropriate SAR terms and references, the existing Handbook Section. A provision has been adopted to designate when the QR regulations will become inoperative and the SAR regulations become operative.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-804.623

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-804.623.

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-804.641

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-804.641.

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## Section 63-804.642(e)

# Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-804.642(e).

### Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

### Section 63-804.642(f)

## Specific Purpose:

This section is amended to add a SAR provision that substantively duplicates, with appropriate SAR terms and references, the existing QR section 63-804.642(f).

## Factual Basis:

This amendment is necessary to ensure the continuation of current QR requirements that remain relevant under SAR and to comply with the SAR provisions of AB 6 (Chapter 501, Statutes of 2011).

## b) <u>Identification of Documents Upon Which Department Is Relying</u>

AB 6 (Chapter 501, Statutes of 2011)

AB 433 (Chapter 625, Statutes of 2008)

AB 444 (Chapter 1022, Statutes of 2002)

7 CFR Part 273

USDA, Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012

FY 2012 Integrity Conferences and State Visits Questions and Answers (no date provided)

Waiver#: SNAP-10-6/Waiver 2120020 CA dated September 17, 2012

USDA, FNS Waiver #2090046, dated February 8, 2013

## c) <u>Local Mandate Statement</u>

These regulations do impose a mandate upon county welfare departments but not on school districts. There are no "state-mandated local costs" in these regulations which require state reimbursement under Section 17500 et seq. of the Government Code (GC) because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the GC.

### d) Statement of Alternatives Considered

AB 6 mandates that CDSS implement this policy change through the regulatory process. In developing the regulatory action CDSS did not consider any other alternatives than the one proposed because there were no other alternatives proposed.

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

# e) <u>Statement of Significant Adverse Economic Impact On Business</u>

The CDSS has made an initial determination that the proposed action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This

determination was made because this action only pertains to simplifying the reporting requirements for CalFresh recipients and lessening their reporting burden from four times a year to twice a year.

## f) <u>Economic Impact Assessment</u>

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. This regulatory action will not have an effect on the health and welfare of California residents, worker safety or the state's environment.

The following documents were relied upon in proposing the regulatory action:

AB 6 (Chapter 501, Statutes of 2011)

AB 433 (Chapter 625, Statutes of 2008)

AB 444 (Chapter 1022, Statutes of 2002)

7 CFR Part 273

USDA, Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012

FY 2012 Integrity Conferences and State Visits Questions and Answers (no date provided)

Waiver#: SNAP-10-6/Waiver 2120020 CA dated September 17, 2012

USDA, FNS Waiver #2090046, dated February 8, 2013

## g) Benefits Anticipated from Regulatory Action

The benefits anticipated from this regulatory action include simplifying the reporting responsibilities for both CalFresh recipients and county eligibility workers.

### h) <u>Statement of Specific Technology or Equipment</u>

This regulatory action will not mandate the use of new, specific technologies or equipment.